



GAIL FARBER, Director

COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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October 20, 2015

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

30 October 20, 2015


PATRICK OZAWA
ACTING EXECUTIVE OFFICER

**AWARD CONSTRUCTION CONTRACT
LAKE LOS ANGELES TANKS RECOATING AND REPAIRS
IN THE UNINCORPORATED COMMUNITY OF LAKE LOS ANGELES
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

This action is to award a construction contract to Olympos Painting, Inc., for Lake Los Angeles Tanks Recoating and Repairs, and authorize the Director of Public Works or her designee to execute a construction contract for work in the unincorporated community of Lake Los Angeles.

IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY:

1. Award and authorize the Director of Public Works or her designee to execute a construction contract and establish the effective date following receipt of approved Faithful Performance and Labor and Material Bonds and insurance certificate filed by the contractor for Project ID No. WWD4038002 – Lake Los Angeles Tanks Recoating and Repairs, for recoating and repairing of water tanks, in the unincorporated community of Lake Los Angeles, to Olympos Painting, Inc., in the amount of \$1,117,740.
2. Delegate to the Director of Public Works or her designee the following authority in connection with the contract: (1) approve and execute change orders within the same monetary limits delegated to the Director of Public Works under Section 2.18.050 of the Los Angeles County Code relative to the construction of County buildings, (2) accept the project upon its final completion, and (3) release retention money withheld consistent with the requirements of State Public Contract Code Sections 7107 and 9203.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to obtain approval of the project from the Board, acting as the governing body of the Los Angeles County Waterworks District No. 40, Antelope Valley, to award this construction contract, authorize the Director of Public Works or her designee to execute the construction contract, and establish the effective contract date following receipt of approved Faithful Performance and Labor and Material Bonds and insurance certificate filed by the contractor for this project.

On July 7, 2015, Agenda Item 24, the Board approved the project; adopted the plans and specifications; called for bids to be received on August 11, 2015; and instructed the Acting Executive Officer of the Board of Supervisors to advertise the project.

The enclosure includes the project description, the call for bids and bid opening date, a tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposal are also enclosed for this project.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provisions of Operational Effectiveness/ Fiscal Sustainability (Goal 1) and Integrated Services Delivery (Goal 3). Awarding this construction contract will provide improved infrastructure to better serve the public and enhance the quality of life in the affected community.

FISCAL IMPACT/FINANCING

This action will have no impact to the County General Fund.

The construction contract cost of \$1,117,740 is included in the Fiscal Year 2015-16 Accumulative Capital Outlay Fund Budget of the Los Angeles County Waterworks District No. 40, Antelope Valley (N64).

The enclosure includes the amount of the recommended contract as compared with the engineer's estimate, the other bids received, and more detailed fiscal and financial information.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract agreement will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Interim Chief Executive Officer's and the Board's requirements.

This project is to be completed in 90 working days. It is anticipated the work will start in December 2015 and be completed in May 2016.

The award of this contract will be in full compliance with Federal, State, and County regulations. This contract contains terms and conditions supporting the Board's ordinances, policies, and programs including, but not limited to: the County of Los Angeles' Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board

Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; the County's Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; Local Business Enterprise Preference Program, Los Angeles County Code, Chapter 2.204; and the standard Board directed clauses that provide for contract termination or renegotiation.

The State Public Contract Code requires the County to award construction contracts to a responsible contractor with the lowest responsive bid, which is defined as the firm that: (1) submits the bid with the lowest cost; (2) is deemed by the County to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the County to be a responsible bidder by exhibiting the capability, capacity, experience, trustworthiness, and financial wherewithal to perform the work required under the bid solicitation.

To ensure the contract is awarded to a responsible contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by each respective contractor was considered before making this recommendation to award.

The plans and specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with the Department of Public Works.

ENVIRONMENTAL DOCUMENTATION

On July 7, 2015, Agenda Item 24, the Board found this project to be categorically exempt from the provisions of the California Environmental Quality Act.

CONTRACTING PROCESS

The contract was solicited on an open-competitive basis in accordance with the provisions of the State Public Contract Code.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

To further increase contractor awareness of contracting opportunities with Public Works, this project was listed on both the County's "Doing Business with Us" and Public Works' "Contract Opportunities" websites for upcoming bids.

Public Works will review and approve the Faithful Performance and payment bonds filed by the contractor.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This construction contract will result in improved public works infrastructure in the community where the work is scheduled.

CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Construction Division.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER
Director

GF:JTS:ma

Enclosures

c: Chief Executive Office (Rochelle Goff)
County Counsel
Executive Office
Internal Services Department (Countywide
Contract Compliance)

AWARD OF CONSTRUCTION CONTRACT
October 20, 2015

PROJECT ID NO. WWD4038002 – Lake Los Angeles Tanks Recoating and Repairs, (in the unincorporated community of Lake Los Angeles), Supervisorial District 5.

TYPE OF WORK: Recoating and repairing of water tanks and the performance of other appurtenant work.

CALL FOR BIDS DATE: July 7, 2015 (Agenda Item 24)

BID OPENING DATE: August 11, 2015

BID SUMMARY:

Low	Olympos Painting, Inc.* 7933 Gloria Avenue, Unit No. 9 Van Nuys, California 91406 (818) 904-0662	\$1,117,740.00
2	Crosno Construction, Inc. Local Small Business Enterprise (LSBE)*	\$1,144,100.00

Utility Service Company submitted a bid in the amount of \$1,165,346; however, its bid did not include a notarized bid bond, which violates the bid requirements. Therefore, its bid is considered nonresponsive and rejected as provided in the Instructions to Bidders.

Paso Robles Tank, Inc., submitted a bid in the amount of \$1,346,950; however, its bid proposal was not signed by an authorized person, which violates the bid requirements. Therefore, its bid is considered nonresponsive and rejected as provided in the Instructions to Bidders.

FINANCIAL INFORMATION:

Amount of estimate, including the consultant services agreement	\$1,010,176.00
Amount of consultant services agreement	\$ 20,000.00
Amount of recommended contract	\$1,097,740.00
Amount of recommended contract above estimate	\$ 107,564.00

The amount of the recommended contract is 11 percent above the estimate, which was based on recent average contract prices for similar items of work. A review of the estimate indicates prices of several items were below current market prices. While the bid price is higher than the estimate, the bids are competitive, and readvertising the project will result in increased contract administration costs and delay construction with no guarantee that lower bids will be received. Therefore, we recommend award of the contract to the low bidder.

On July 7, 2015, Agenda Item 24, the Board authorized the Director of Public Works or her designee to award and execute a consultant services agreement for \$20,000. The amount of the recommended contract award of \$1,097,740 represents the amount of the lowest responsive bid with the cost of the consultant services agreement subtracted from it.

Funding for this project is included in the Fiscal Year 2015-16 Accumulative Capital Outlay Fund Budget of the Los Angeles County Waterworks District No. 40, Antelope Valley (N64).

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